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DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

[A-201-842, A-580-868]

Large Residential Washers from Mexico and the Republic of Korea: Antidumping Duty Orders

AGENCY: Import Administration, International Trade Administration, Department of Commerce

SUMMARY: Based on affirmative final determinations by the Department of Commerce (the Department) and the International Trade Commission (the ITC), the Department is issuing antidumping duty orders on large residential washers (washers) from Mexico and the Republic of Korea (Korea).

EFFECTIVE DATE: [Insert date of publication in the Federal Register].

FOR FURTHER INFORMATION CONTACT: Brian Smith (Mexico) or David Goldberger (Korea), AD/CVD Operations, Office 2, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-1766 or (202) 482-4136, respectively.

SUPPLEMENTARY INFORMATION:

Background

In accordance with sections 735(d) and 777(i)(1) of the Tariff Act of 1930, as amended (the Act), the Department published its affirmative final determinations of sales at less-than-fair-value in the antidumping duty investigations of washers from Korea and Mexico on December 26 and 27, 2012, respectively.¹ On February 8, 2013, the ITC notified the Department of its

¹ See Notice of Final Determination of Sales at Less Than Fair Value: Large Residential Washers From the Republic of Korea, 77 FR 75988 (December 26, 2012); and Notice of Final Determination of Sales at Less Than Fair Value: Large Residential Washers from Mexico, 77 FR 76288 (December 27, 2012).

affirmative determinations that an industry in the United States is materially injured within the meaning of section 735(b)(1)(A)(i) of the Act by reason of less-than-fair-value imports of washers from Mexico and Korea.²

Scope of the Orders

The products covered by these orders are all large residential washers and certain subassemblies thereof from Mexico and Korea.

For purposes of these orders, the term “large residential washers” denotes all automatic clothes washing machines, regardless of the orientation of the rotational axis, except as noted below, with a cabinet width (measured from its widest point) of at least 24.5 inches (62.23 cm) and no more than 32.0 inches (81.28 cm).

Also covered are certain subassemblies used in large residential washers, namely: (1) all assembled cabinets designed for use in large residential washers which incorporate, at a minimum: (a) at least three of the six cabinet surfaces; and (b) a bracket; (2) all assembled tubs³ designed for use in large residential washers which incorporate, at a minimum: (a) a tub; and (b) a seal; (3) all assembled baskets⁴ designed for use in large residential washers which incorporate, at a minimum: (a) a side wrapper;⁵ (b) a base; and (c) a drive hub;⁶ and (4) any combination of the foregoing subassemblies.

² See Certain Large Residential Washers from Korea and Mexico, Investigation Nos. 701-TA-488 and 731-TA-1199-1200 (Final), U.S. ITC Publication 4378 (February 2013).

³ A “tub” is the part of the washer designed to hold water.

⁴ A “basket” (sometimes referred to as a “drum”) is the part of the washer designed to hold clothing or other fabrics.

⁵ A “side wrapper” is the cylindrical part of the basket that actually holds the clothing or other fabrics.

⁶ A “drive hub” is the hub at the center of the base that bears the load from the motor.

Excluded from the scope are stacked washer-dryers and commercial washers. The term “stacked washer-dryers” denotes distinct washing and drying machines that are built on a unitary frame and share a common console that controls both the washer and the dryer. The term “commercial washer” denotes an automatic clothes washing machine designed for the “pay per use” market meeting either of the following two definitions:

(1) (a) it contains payment system electronics;⁷ (b) it is configured with an externally mounted steel frame at least six inches high that is designed to house a coin/token operated payment system (whether or not the actual coin/token operated payment system is installed at the time of importation); (c) it contains a push button user interface with a maximum of six manually selectable wash cycle settings, with no ability of the end user to otherwise modify water temperature, water level, or spin speed for a selected wash cycle setting; and (d) the console containing the user interface is made of steel and is assembled with security fasteners;⁸ or

(2) (a) it contains payment system electronics; (b) the payment system electronics are enabled (whether or not the payment acceptance device has been installed at the time of importation) such that, in normal operation,⁹ the unit cannot begin a wash cycle without first receiving a signal from a *bona fide* payment acceptance device such as an electronic credit card reader; (c) it contains a push button user interface with a maximum of six

⁷ “Payment system electronics” denotes a circuit board designed to receive signals from a payment acceptance device and to display payment amount, selected settings, and cycle status. Such electronics also capture cycles and payment history and provide for transmission to a reader.

⁸ A “security fastener” is a screw with a non-standard head that requires a non-standard driver. Examples include those with a pin in the center of the head as a “center pin reject” feature to prevent standard Allen wrenches or Torx drivers from working.

⁹ “Normal operation” refers to the operating mode(s) available to end users (*i.e.*, not a mode designed for testing or repair by a technician).

manually selectable wash cycle settings, with no ability of the end user to otherwise modify water temperature, water level, or spin speed for a selected wash cycle setting; and (d) the console containing the user interface is made of steel and is assembled with security fasteners.

Also excluded from the scope are automatic clothes washing machines with a vertical rotational axis and a rated capacity of less than 3.70 cubic feet, as certified to the U.S. Department of Energy pursuant to 10 CFR § 429.12 and 10 CFR § 429.20, and in accordance with the test procedures established in 10 CFR Part 430.

The products subject to these orders are currently classifiable under subheading 8450.20.0090 of the Harmonized Tariff System of the United States (HTSUS). Products subject to these orders may also enter under HTSUS subheadings 8450.11.0040, 8450.11.0080, 8450.90.2000, and 8450.90.6000. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise subject to this scope is dispositive.

Antidumping Duty Orders

As stated above, on February 8, 2013, in accordance with section 735(d) of the Act, the ITC notified the Department of its final determinations in these investigations, in which it found material injury with respect to washers from Mexico and Korea.¹⁰ Because the ITC determined that imports of washers from Mexico and Korea are materially injuring a U.S. industry, all unliquidated entries of such merchandise from Mexico and Korea, entered or withdrawn from warehouse, are subject to the assessment of antidumping duties.

¹⁰ Id.

Therefore, in accordance with section 736(a)(1) of the Act, the Department will direct U.S. Customs and Border Protection (CBP) to assess, upon further instruction by the Department, antidumping duties equal to the amounts listed below for all relevant entries of washers from Mexico and Korea. These antidumping duties will be assessed on unliquidated entries of washers from Mexico and Korea entered, or withdrawn from warehouse, for consumption on or after August 3, 2012, the date of publication of the preliminary determinations,¹¹ but will not include entries occurring after the expiration of the provisional measures period and before publication of the ITC's final injury determinations as further described below.

Continuation of Suspension of Liquidation

In accordance with section 735(c)(1)(B) of the Act, we will instruct CBP to continue to suspend liquidation on all entries of washers from Mexico and Korea. We will also instruct CBP to require cash deposits equal to the amounts indicated below. These instructions suspending liquidation will remain in effect until further notice.

Consistent with our practice, where the product under investigation is also subject to a concurrent countervailing duty investigation, we will instruct CBP to require a cash deposit¹² equal to the amount by which the normal value exceeds the export price or constructed export price, less the amount of the countervailing duty determined to constitute an export subsidy.¹³ In

¹¹ See Large Residential Washers From Mexico: Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination, 77 FR 46401 (August 3, 2012); and Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Large Residential Washers From the Republic of Korea, 77 FR 46391 (August 3, 2012).

¹² See Modification of Regulations Regarding the Practice of Accepting Bonds During the Provisional Measures Period in Antidumping and Countervailing Duty Investigations, 76 FR 61042 (October 3, 2011).

¹³ See, e.g., Notice of Final Determination of Sales at Less Than Fair Value: Carbazole Violet Pigment 23 From India, 69 FR 67306, 67307 (November 17, 2004).

the case of washers from Mexico, because the product under investigation is not subject to a countervailing duty investigation, the cash deposit rates have not been adjusted. In the case of washers from Korea, although the product under investigation is also subject to a concurrent countervailing duty investigation, with respect to LG Electronics, Inc. (LG), the Department found no countervailing duty attributable to export subsidies. Therefore, we have not offset the cash deposit rate shown below for LG. However, with respect to Daewoo Electronics Corporation (Daewoo), Samsung Electronics Co., Ltd. (Samsung), and All Others, the Department did find countervailing duties attributable to export subsidies. Therefore, for Daewoo, we offset the AFA antidumping margin (i.e., 82.41 percent) by the countervailing duty rate attributable to export subsidies (i.e., 3.30 percent).¹⁴ For Samsung, we offset the antidumping margin (i.e., 9.29 percent) by the countervailing duty rate attributable to export subsidies (i.e., 0.06 percent).¹⁵ For All Others, we offset the antidumping margin (i.e., 11.86 percent) by the countervailing duty rate attributable to export subsidies (i.e., 0.06 percent).¹⁶ Accordingly, effective on the date of publication of the ITC's final affirmative injury determinations, CBP will require, at the same time as importers would normally deposit estimated duties on this subject merchandise, cash deposits equal to the amounts indicated below.¹⁷

¹⁴ See Large Residential Washers From the Republic of Korea: Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Determination With Final Antidumping Determination, 77 FR 33181 (June 5, 2012), unchanged in Large Residential Washers From the Republic of Korea: Final Affirmative Countervailing Duty Determination, 77 FR 75975 (December 26, 2012).

¹⁵ See Memorandum to The File entitled "Samsung Final Determination Calculation Memorandum," dated December 18, 2012.

¹⁶ See Memorandum to The File entitled "Calculation of the All-Others Rate for the Final Determination of the Antidumping Duty Investigation of Large Residential Washers from Korea," dated December 18, 2012.

¹⁷ See section 736(a)(3) of the Act.

Provisional Measures

Section 733(d) of the Act states that instructions issued pursuant to an affirmative preliminary determination may not remain in effect for more than four months except where exporters representing a significant proportion of exports of the subject merchandise request the Department to extend that four-month period to no more than six months. At the request of exporters that account for a significant proportion of washers from Mexico and Korea, we extended the four-month period to no more than six months.¹⁸ In the underlying investigations, the Department published the preliminary determinations on August 3, 2012. Therefore, the six-month period beginning on the date of publication of the preliminary determinations ended on January 30, 2013. Furthermore, section 737(b) of the Act states that definitive duties are to begin on the date of publication of the ITC's final injury determination.

Therefore, in accordance with section 733(d) of the Act and our practice, we will instruct CBP to terminate the suspension of liquidation and to liquidate, without regard to antidumping duties, unliquidated entries of washers from Mexico and Korea entered, or withdrawn from warehouse, for consumption after January 30, 2013, the date provisional measures expired, until and through the day preceding the date of publication of the ITC's final injury determinations in the Federal Register. Suspension of liquidation will resume on the date of publication of the ITC's final determinations in the Federal Register.

¹⁸ See letters to the Department from LG Electronics Inc. and LG Electronics USA, Inc. (collectively, LG), and Samsung Electronics Co., Ltd. and Samsung Electronics America, Inc. (collectively, Samsung) (Korea); and Electrolux Home Products, Corp., N.V. and Electrolux Home Products, Inc. (collectively, Electrolux) (Mexico); dated July 13, 2012.

The weighted-average dumping margins are as follows:

Country	Manufacturer/ Exporter	Dumping Margin (%)	Cash Deposit (%)
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Mexico	Electrolux Home Products Corp. NV/ Electrolux Home Products De Mexico, S.A. de C.V.	36.52	36.52
	Samsung Electronics Mexico S.A. de C.V.	72.41	72.41
	Whirlpool International S. de R.L. de C.V.	72.41	72.41
	All Others	36.52	36.52
Korea	Daewoo Electronics Corporation	82.41	79.11
	LG Electronics Inc.	13.02	13.02
	Samsung Electronics Co., Ltd.	9.29	9.23
	All Others	11.86	11.80

This notice constitutes the antidumping duty orders with respect to washers from Mexico and Korea pursuant to section 736(a) of the Act. Interested parties can find an updated list of antidumping duty orders currently in effect at <http://ia.ita.doc.gov/stats/iastats1.html>.

These orders are published in accordance with section 736(a) of the Act and section 351.211 of the Department's regulations.

Paul Piquado
Assistant Secretary
for Import Administration

Dated: February 8, 2013.